

DHSS Awards Contract to Health Management Associates to Help Delaware Pursue Health Innovation

NEW CASTLE (Oct. 26, 2017) – The Delaware Health Care Commission has awarded a contract to Health Management Associates to provide specialized expertise to advance efforts by the Department of Health and Social Services (DHSS) to transform the delivery of health care and improve health outcomes in Delaware, while lowering the growth rate of health care costs.

The \$1.298 million contract will support the state's efforts in two important areas:

- The integration of behavioral health services into primary care settings to improve access for Delawareans in need of mental health and substance use disorder services;
- Support of the Healthy Neighborhoods initiative to bring people and organizations together at the local and community level to identify needs, connect to resources, and develop locally tailored solutions to improve population health.

These two programs were developed and funded under a four-year [federal grant](#) totaling up to \$35 million and awarded to Delaware in 2014 by the Center for Medicare and Medicaid Innovation (CMMI). State grantees are required to undertake comprehensive strategies and test models to transform the state's health care delivery system while putting health care costs on a more sustainable path for employers, consumers, and

public budgets. The Delaware Center for Health Innovation (DCHI), which was created to carry out the CMMI grant work with stakeholders across the state, embraced both the integration of behavioral health services into primary care and support of the Healthy Neighborhoods initiative. Health Management Associates will build on DCHI's foundation by collaborating with the public-private organization to create long-term transformation.

"Health Management Associates has an experienced team of people who will be able to offer us expert advice and guidance as we work to accelerate health care payment reform in Delaware," said DHSS Secretary Dr. Kara Odom Walker, a board-certified family physician. "HMA understands the challenges we face as we seek to accomplish our goal of reaching better health outcomes for Delawareans while also changing the way we pay for health care."

Governor John Carney signed [House Joint Resolution 7](#) in September, which authorized DHSS to develop a health care spending benchmark that is linked to the state's rate of economic growth.

In a [federal analysis](#) released this summer, Delaware had the third-highest per capita spending for health care in the country, behind only Alaska and Massachusetts. In 2014, Delaware's per-capita rate of \$10,254 was 27 percent higher than the U.S. average. The Centers for Medicare and Medicaid Services (CMS) estimated that if Delaware continues at that pace, total health care spending in the state will more than double from \$9.5 billion in 2014 to \$21.5 billion in 2025. In terms of overall health, Delaware ranks only 31st among the

states, according to America's Health Rankings.

The contract with Health Management Associates also includes project management support to the Delaware Health Care Commission as it plans for the fourth and final year of the federal grant.

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The Department of Health and Social Services is committed to improving the quality of life of Delaware's citizens by promoting health and well-being, fostering self-sufficiency, and protecting vulnerable populations.